

Statement of Direction for Strategic IT Planning
DRAFT

From: Matt Miszewski and David Schmiedicke

To: Department Secretaries

CC: BLC

TLC

Enterprise and agency strategic business and information technology (IT) planning has contributed greatly to the success of Wisconsin government. State law requires the Department of Administration (DOA) to collect from each executive branch agency a strategic plan for the utilization of information technology to carry out their functions. **The deadline for submission of IT plans this year is March 31, 2004.** The Division of Enterprise Technology (DET) will complete an enterprise IT plan by September 15.

Agencies should continue to expect that state operations funding will face significant pressure over the remainder of this biennium and the next biennium. As such, every agency is expected to reduce costs and utilize technology to streamline operations and improve the effectiveness of providing government services. Wherever possible, agencies should share administrative (back-office) systems rather than develop systems of their own. Where a business case for the development and support of new systems exists, a thorough return on investment (ROI) analysis with accompanying financing plan is required.

The development of an ROI for each IT project needs to be done in concert with budgetary resource planning. The ROI should present the total costs, direct and indirect, to complete a project along with the costs avoided by implementing the project. Each project proposal and associated ROI should include a plan for funding the investment costs. This involves taking hard costs, allocating these on a fiscal year basis through master lease financing, federal funding or other funding sources and comparing these annualized expenditures to base budget funds available.

The difference between annualized expenditures and base budget funds available must be shown in the strategic plan as the amount that would be the subject of a budget decision item, if approved in the strategic plan. Position requirements and reductions must also be clearly identified. Given the severe constraints on state operations funding, agencies should seek to maximize use of base budget funds for new IT projects.

A return on investment (ROI) template is currently under development and will be distributed to agencies in the next few weeks.

An effective and comprehensive enterprise plan requires knowledge of agency activities and requirements. Conversely, agencies' strategic IT plans must take enterprise plans, directions and funding mechanisms into account. Following is a list of enterprise priorities that agencies should consider when developing their plans:

- EASI initiatives for IT systems consolidation efforts (both server consolidation as well as shared administrative systems), real estate consolidation efforts, procurement systems and human resource systems.

- Converged video and data networking.
- Directory Services replacement.
- Re-negotiation of telecommunications contracts.
- Development of an Enterprise Technology Architecture.
- Elimination of redundant or unused centrex lines and cell phones.
- Disaster recovery planning and mirrored computing centers.
- Restructuring of the computer desktop buying process.
- Developing a statewide intranet.
- Data sharing initiatives (including the Enterprise Services Bus).
- Publishing and distribution initiatives such as mail presort outsourcing, inserting consolidation, and mainframe printing.
- Continued reductions in state positions and state operations funding

For the statewide strategic plan to truly reflect the enterprise, it must derive from an up-to-date picture of our current environment with the enterprise data to support it. To this end, DET is initiating an **enterprise IT inventory**. This inventory will enable decision-makers to base their plans on real data. Information on this ongoing inventory process will be forthcoming. Every effort will be made to collect this baseline data once and the effort will complement parallel processes currently being deployed such as those involved in server consolidation.

Agency Charge:

Develop a strategic IT plan that identifies

- The agency's **business goals**;
- the agency's **current status** in the alignment of its use of IT to with the agency's own business goals and the governor's goals;
- a **vision** for how the agency will continue to align its use of technology for the next 5 years with the Governor's goals and the agency's own goals;
- a brief discussion of the **timeframe** and manner in which the agency intends to implement its IT initiatives.

Success Criteria

- As a part of the assessment of the agency's current state, the planning team must identify or create inventories of **current asset information** that can be used to develop the enterprise IT inventory discussed above.
- For a strategic plan, either business or IT, to be effective, it must be brief, comprehensive and flexible. For a strategic IT plan to be useful, **all IT initiatives** that arise in an organization must be weighed against the plan. If a new initiative still appears to be needed after being considered against the plan, the plan should be modified to include that initiative. On the other hand, if an initiative does not meet the agency's strategic goals and objectives as laid out in the plan, the agency should not move ahead with it.

We have accomplished much in the past year. We are looking forward to an even more productive few years as we continue to implement our strategic plans, both agency and enterprise.

If you have any questions about the enterprise directions and priorities or strategic planning in general, please do not hesitate to contact Beth Hastings at 267-0624. Questions about enterprise technology priority initiatives should be directed to your Technology Leadership Council (TLC) or your Business Leadership Council (BLC) member. Questions related to funding sources and budgetary considerations can be directed to your DOA budget analyst/team leader.